

EMBASSY OF THE
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الإمارات العربية المتحدة
واشنطن

UAE-US Economic Relations

The United States and the UAE enjoy a robust trade and investment relationship. This is one of the fastest growing US economic partnerships, globally and especially in the Gulf region. Much of the trade has little direct relationship to UAE oil exports.

The UAE has one of the most open economies in the world. Its vigorous economic partnership with the United States reflects the UAE's role as a regional leader in terms of economic reform, openness to international trade and investment, and political stability.

Partners in a Globalized World

The volume of US exports and foreign direct investment into the UAE in recent years has grown dramatically and is likely to continue to grow in the future. This growth reflects the increasingly diversified UAE economy as well as the country's leading role as a modernizing influence in the Arab world.

- The country is the largest export market for the United States in the Middle East and, in 2010, was the 21st largest export market globally.
- The UAE buys products from every state in the United States, as well as the District of Columbia, Puerto Rico, and the Virgin Islands.
- UAE customers purchased \$11.64 billion in US goods in 2010.
- The UAE pegs its currency, the dirham, to the dollar.
- More than 750 US firms have a presence in UAE, from Bechtel and ExxonMobil to Starbucks and Cold Stone Creamery.

High Value Trade and Investment

The trade relationship between the UAE and the United States is characterized by high-value trade and investment activities.

- Westinghouse will take part in a South Korean-led consortium that has won a \$20-billion contract to build four nuclear reactors for commercial energy generation in the UAE.
- The Abu Dhabi Investment Authority (ADIA) acquired an 11 percent share in the Hyatt Hotels Group in December 2009.
- The Mubadala Development Company and General Electric have multiple cooperative projects, including an \$8 billion joint venture in high technology.
- In January 2008, Jafza International of Dubai announced its intention to establish a new warehouse and transportation hub in Orangeburg, South Carolina. The

“greenfield” facility would involve a \$600 million dollar investment in a location with high unemployment and create as many as 5,000 new jobs.

- GLOBALFOUNDRIES, a joint venture between AMD and Advanced Technology Investment Company of Abu Dhabi, have plans for a \$4.2 billion manufacturing facility in Saratoga County, New York.
- In December 2007, Dubai World, an investment arm of the Dubai government, purchased 5 million shares of MGM Mirage, increasing its share of the company to 6.5 percent.
- The UAE is the largest customer for Boeing commercial passenger aircraft.

Through significant investments in the United States for over 30 years, the UAE has been a dependable and long-term contributor to US economy, providing liquidity to US capital markets, growth for US companies and job security for US workers.

In 2008, the Government of Abu Dhabi initiated a global dialogue to clarify the investment principles of government-owned funds. As a result, 23 countries committed to operate their funds purely on commercial principles and adopt transparency measures.

UAE as Global Energy Supplier

In addition to being an important supplier of energy, the UAE is now becoming an increasingly relevant consumer of energy. The UAE will continue its long tradition of responsible energy stewardship as it diversifies its economy, expands hydrocarbon reserves, and contributes to the development of alternative energy sources.

- Abu Dhabi was the only OPEC member not to nationalize the holdings of foreign investors in the mid-1970s. Today international oil companies from the United States, Japan, France, Britain and other countries continue to hold combined equity stakes of between 40 and 100 percent in Abu Dhabi’s vast oil concessions.
- US companies are heavily involved as partners and suppliers to UAE energy companies.
- The UAE is making a \$15 billion investment in clean energy technologies, through its Masdar Initiative.

US-UAE Business Council

The UAE and the United States continue to explore ways to enhance and build upon an already robust trade relationship. The establishment in May 2007 of a US-UAE Business Council demonstrates how business-to-business initiatives drive the expanding commercial relationship.

While the UAE expects to see an improved trade balance with the United States as the economies of Abu Dhabi and Dubai continue to diversify, it is enthusiastic about advancing the many new joint ventures and partnerships it has in place with major US companies. From a UAE perspective, constructive international partnerships and joint ventures can provide capacity and skills for the local economy, in addition to the traditional benefits of investment.

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